

1991 MAR 12 PM 5:06

HOUSE OF REPRESENTATIVES

I certify that the attached is a true and
correct copy of HB 1522, which
was filed of record on MAR 4 1991
and referred to the committee on:

State Affairs
Betty Munsing
Chief Clerk of the House

FILED MAR 4 1991

By CARONA

H. B. No. 1522

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of air conditioning and refrigeration
contractors.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 2.(7), Air Conditioning and
Refrigeration Contractor License Law (Article 8861, Vernon's
Texas Civil Statutes), is amended to read as follows:

(7) "[Environmental] air conditioning and
refrigeration maintenance work" means repair work and all other
work required for the continued normal performance of an
environmental air conditioning system, commercial refrigeration
system or equipment, or process cooling or heating system. The
term does not include the installation of a total replacement of
the system or the installation of boilers or pressure vessels
that must be installed by licensed persons pursuant to rules and
regulations adopted by the commissioner under the Texas boiler
inspection law, Chapter 436, Acts of the 45th Legislature,
Regular Session, 1937 (Article 5221c, Vernon's Texas Civil
Statutes).

SECTION 2. Section 6, Air Conditioning and Refrigeration Contractors License Law (Article 8861, Vernon's Texas Civil Statutes) is amended to read as follows:

SECTION 6. EXEMPTIONS.

(a) This Act does not apply to a person who:

(1) performs air conditioning and refrigeration contracting in a building owned solely by him as his home;

(2) performs [environmental] air conditioning and refrigeration maintenance work if (i) the person is a maintenance man or maintenance engineer who is a regular bona fide employee of the property owner, the property lessee, or the management company managing the property where the maintenance work is being performed, (ii) the work is performed in connection with the business in which the person is employed, and (iii) the person and the person's employer referred to in (i) above do not engage in the occupation of air conditioning and refrigeration contracting for the general public;

(3) performs air conditioning and refrigeration contracting and is regularly employed by a regulated electric or gas utility;

(4) is licensed as a professional engineer under The Texas Engineering Practice Act (Article 3271a, Vernon's Texas Civil Statutes), performs work in connection with the business in which the person is employed, and does not engage in the practice of air conditioning and refrigeration contracting for the general public;

(5) performs process cooling or heating work for

an industrial operation such as a chemical plant, petrochemical plant, refinery, natural gas plant, or natural gas treating plant when employed by that operation; or

(6) performs air conditioning and refrigeration contracting on:

(A) a portable or self-contained ductless [environmental] air conditioning or refrigeration product that has a cooling capacity of three tons or less;

(B) a portable or self-contained heating product that does not require the forced movement of air outside the heating unit; or

(C) environmental air conditioning equipment that is intended for temporary use and is not fixed in place.

(b) The work described by Subsection (a) of this section remains subject to any permit, inspection, or approval requirements prescribed by a municipal ordinance.

(c) A person licensed under this Act may not perform or offer or attempt to perform any act, service, or function that is defined as the practice of engineering by the Texas Engineering Practice, as amended (Article 3271a, Vernon's Texas Civil Statutes).

(d) A person licensed under this Act may not perform or offer or attempt to perform any act, service, or function regulated under Chapter 113, Natural Resources Code, unless licensed or exempted by rule under that law. A person regulated under Chapter 113, Natural Resources Code, may not perform or offer or attempt to perform air conditioning or refrigeration contracting

unless licensed under this Act.

(e) A person licensed under this Act may not perform or offer or attempt to perform any act, service, or function that is defined as plumbing work under The Plumbing License Law (Article 6243-101, Vernon's Texas Civil Statutes) unless licensed under that law. A person who is licensed in this state as a plumber and is engaged in business as a plumber may not perform or offer or attempt to perform air conditioning and refrigeration contracting unless licensed under this Act.

(f) This article does not apply to a person or firm that is registered as a manufacturer, retailer, or installer and regulated pursuant to the Texas Manufactured Housing Standards Act (Article 5221f, Vernon's Texas Civil Statutes) and that engages exclusively in air conditioning and refrigeration contracting for manufactured homes, in the installation (siting) of manufactured homes and/or in providing retailer or manufacturer warranty services at no cost to the consumers.

(g) A person who assists in the performance of air conditioning and refrigeration contracting work under the supervision of a licensee is not required to be licensed by a municipality.

SECTION 3. Section 9, Air Conditioning and Refrigeration Contractors License Law (Article 8861, Vernon's Texas Civil Statutes) is amended by adding Subsection (c), to read as follows:

(c) In order to carry out the policy of the State of Texas to assist the consumer, the department is authorized to contract

with other state agencies, cities and other political
subdivisions for enforcement of the statute and rules.

SECTION 4. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

HOUSE COMMITTEE REPORT

91 MAY 10 AM 11:12

HOUSE REPRESENTATIVES

1st Printing

By Carona

H.B. No. 1522

Substitute the following for H.B. No. 1522:

By Crawford

C.S.H.B. No. 1522

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of air conditioning and refrigeration contractors.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 2, Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes), is amended by amending Subdivision (7) and adding Subdivisions (14) and (15) to read as follows:

(7) "Air [~~Environmental---~~air] conditioning and refrigeration maintenance work" means repair work and all other work required for the continued normal performance of an environmental air conditioning system, commercial refrigeration system or equipment, or process cooling or heating system. The term does not include the installation of a total replacement of the system or the installation of boilers or pressure vessels that must be installed by licensed persons pursuant to rules and regulations adopted by the commissioner under the Texas boiler inspection law, Chapter 755, Health and Safety Code [~~4367-Acts-of-the--45th--Legislature,--Regular--Session,--1937--(Article--5221e, Vernon's-Texas-Civil-Statutes)]~~].

(14) "Ventilation" means the circulation of air, other than for heating or cooling, to remove solid, liquid, and vaporous impurities.

(15) "Ventilation contracting" means the design,

1 installation, construction, maintenance, or alteration of
2 ventilation systems.

3 SECTION 2. Section 3, Air Conditioning and Refrigeration
4 Contractor License Law (Article 8861, Vernon's Texas Civil
5 Statutes), is amended by adding Subsection (1) to read as follows:

6 (1) The department may contract with another state agency,
7 city, or political subdivision of the state for the enforcement of
8 this Act and the rules adopted by the commissioner under this Act.

9 SECTION 3. Sections 4(a), (b), (c), and (d), Air
10 Conditioning and Refrigeration Contractor License Law (Article
11 8861, Vernon's Texas Civil Statutes), are amended to read as
12 follows:

13 (a) Air conditioning and refrigeration contractor licenses
14 are of three [~~two~~] classes:

15 (1) a Class A license entitles the licensee to perform
16 air conditioning and refrigeration contracting, of each type for
17 which the license is endorsed, on systems, products, or equipment
18 of any size or capacity; [~~and~~]

19 (2) a Class B license entitles the licensee to perform
20 air conditioning and refrigeration contracting, of each type for
21 which the license is endorsed, on systems, products, or equipment
22 of not more than 25 tons cooling capacity or of not more than 1.5
23 million British thermal units per hour output heating capacity; and

24 (3) a Class C license entitles the licensee to perform
25 ventilation contracting only.

26 (b) Endorsements are of three [~~two~~] types:

27 (1) an environmental air conditioning endorsement

entitles the licensee to perform ventilation contracting and air conditioning and refrigeration contracting in relation to environmental air conditioning within the class of license held; ~~[and]~~

(2) a commercial refrigeration and process cooling and heating endorsement entitles the licensee to perform air conditioning and refrigeration contracting in relation to commercial refrigeration and process cooling and heating within the class of license held; and

(3) a ventilation endorsement entitles the licensee to perform only ventilation contracting.

(c) Each license shall be endorsed for ~~[either]~~ environmental air conditioning, ~~[or]~~ commercial refrigeration and process cooling and heating, ventilation, or any combination of the three ~~[or-both]~~. For each endorsement the licensee must perform satisfactorily on a separate examination related to the endorsement. A licensee may not perform under a state license air conditioning and refrigeration contracting of a type for which the person's license is not endorsed.

(d) The commissioner shall prescribe separate examinations for each class of license and, within each class, as appropriate, separate examinations for environmental air conditioning, ~~[and-for]~~ commercial refrigeration and process cooling and heating, and ventilation.

SECTION 4. Section 6(a), (f), and (g), Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes), are amended to read as follows:

1 (a) This Act does not apply to a person who:

2 (1) performs air conditioning and refrigeration
3 contracting in a building owned solely by him as his home;

4 (2) performs [~~environmental~~] air conditioning or
5 refrigeration maintenance work if (i) the person is a maintenance
6 man or maintenance engineer who is a regular bona fide employee of
7 the property owner, the property lessee, or the management company
8 managing the property where the maintenance work is being
9 performed, (ii) the work is performed in connection with the
10 business in which the person is employed, and (iii) the person and
11 the person's employer referred to in (i) above do not engage in the
12 occupation of air conditioning and refrigeration contracting for
13 the general public;

14 (3) performs air conditioning and refrigeration
15 contracting and is regularly employed by a regulated electric or
16 gas utility;

17 (4) is licensed as a professional engineer under The
18 Texas Engineering Practice Act (Article 3271a, Vernon's Texas Civil
19 Statutes), performs work in connection with the business in which
20 the person is employed, and does not engage in the practice of air
21 conditioning and refrigeration contracting for the general public;

22 (5) performs process cooling or heating work for an
23 industrial operation such as a chemical plant, petrochemical plant,
24 refinery, natural gas plant, or natural gas treating plant when
25 employed by that operation; or

26 (6) performs air conditioning and refrigeration
27 contracting on:

1 (A) a portable or self-contained ductless
2 [~~environmental~~] air conditioning or refrigeration product that has
3 a cooling capacity of three tons or less;

4 (B) a portable or self-contained heating product
5 that does not require the forced movement of air outside the
6 heating unit; [~~or~~]

7 (C) environmental air conditioning equipment
8 that is intended for temporary use and is not fixed in place; or

9 (D) ventilation equipment capable of moving not
10 more than 300 cubic feet of air per minute.

11 (f) This article does not apply to a person or firm that is
12 registered as a manufacturer, retailer, or installer and regulated
13 pursuant to the Texas Manufactured Housing Standards Act (Article
14 5221f, Vernon's Texas Civil Statutes) and that engages exclusively
15 in air conditioning and refrigeration contracting for manufactured
16 homes in the installation of manufactured homes or in providing
17 retailer or manufacturer warranty services free of charge.

18 (g) A person who assists in the performance of air
19 conditioning and refrigeration contracting work under the
20 supervision of a licensee is not required to be licensed [~~by-a~~
21 ~~municipality~~].

22 SECTION 5. This Act takes effect September 1, 1991.

23 SECTION 6. The importance of this legislation and the
24 crowded condition of the calendars in both houses create an
25 emergency and an imperative public necessity that the
26 constitutional rule requiring bills to be read on three several
27 days in each house be suspended, and this rule is hereby suspended.

COMMITTEE REPORT

The Honorable Gib Lewis
Speaker of the House of Representatives

5-1-91
(date)

Sir:
We, your COMMITTEE ON STATE AFFAIRS,
to whom was referred HB 1522 have had the same under consideration and beg to report
(measure)

back with the recommendation that it
() do pass, without amendment.
() do pass, with amendment(s).
(✓) do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.
A fiscal note was requested. (✓) yes () no An author's fiscal statement was requested. () yes (✓) no
A criminal justice policy impact statement was requested. () yes (✓) no
An equalized educational funding impact statement was requested. () yes (✓) no
An actuarial analysis was requested. () yes (✓) no
A water development policy impact statement was requested. () yes (✓) no
A federal funds impact statement was requested. () yes (✓) no
(✓) The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars.
This measure () proposes new law. (✓) amends existing law.

House Sponsor of Senate Measure _____

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Laney, Ch.	✓			
Seidlits, V.C.	✓			
Bomer, C.B.O.	✓			
Cain				✓
Crawford	✓			
Danburg	✓			
Eckels				✓
Gibson				✓
Jones	✓			
Marchant	✓			
Oakley	✓			
Perez	✓			
Saunders				✓

Total
9 aye
0 nay
0 present, not voting
4 absent

Gib Lewis
CHAIRMAN
Reborah K. McCall
COMMITTEE COORDINATOR

BILL ANALYSIS

Background

Currently, the Air Conditioning and Refrigeration Contractors License Law (Article 8861) requires those persons engaging in environmental air conditioning, commercial refrigeration, or process heating or cooling to be examined and licensed by the State of Texas.

Purpose

To clarify several area in the present Air Conditioning and Refrigeration Contractors License Law.

Section by Section Analysis

SECTION 1 Amends Section 2, Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes), by amending Subdivision (7) and adding Subdivisions (14) and (15).

(7) Defines "air conditioning and refrigeration maintenance work".

(14) Defines "ventilation".

(15) Defines "ventilation contracting".

SECTION 2 Amends Section 3, Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes) by adding Subsection (1), which allows the department to contract with another state agency, city, or political subdivision, for enforcement of this Act.

SECTION 3 Amends Section 4(a), (b), (c), and (d), Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes).

(a) Provides for three classes of licenses, the third being a Class C license entitling the licensee to perform ventilation contracting only.

(b) Provides for three types of endorsements, the first additionally provides for ventilation contracting, and the third provides for the ventilation endorsement.

(c) Provides that each license shall be endorsed for environmental air conditioning, commercial refrigeration and process cooling and heating, ventilation, or any combination of the three. Provides for an examination for each.

(d) Provides for the separate examinations.

SECTION 4 Amends Section 6(a), (f), and (g), Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes).

- (a) Provides that the Act does not apply to a person who performs air conditioning or refrigeration maintenance work if certain criteria are met, if it is performance of contracting on a portable or self-contained ductless air conditioning or refrigeration product that has a cooling capacity of three tons or less, or if it is performance of contracting on ventilation equipment capable of moving not more than 300 cubic feet of air per minute.
- (f) Provides that the article does not apply to a person or firm if they only engage in contracting for manufactured homes in the installation of manufactured homes or in providing retailer or manufacturer warranty services free of charge.
- (g) Provides that an assistant in the performance of air conditioning and refrigeration contracting work under the supervision of a licensee is not required to be licensed.

SECTION 5 Effective Date.

SECTION 6 Emergency Clause.

Rulemaking Authority

It is the opinion of this committee that this bill delegates no rulemaking authority to any state officer, agency, department, or institution.

Comparison of Original to Substitute

The substitute adds sections and provides for additional definitions. The substitute provides that the department may contract with another state agency, city, or political subdivision of the state for the enforcement of the Act. The substitute provides for a license for ventilation contracting only and changes the exceptions to the Act.

Summary of Committee Action

The Committee on State Affairs met in a public hearing on April 22, 1991 to consider H.B. 1522. Testimony was received and H.B. 1522 was left pending. The Committee on State Affairs met in a formal meeting on May 1, 1991 to consider H.B. 1522. The Chair laid out H.B. 1522 and a complete substitute was offered and adopted without objection. A motion to report H.B. 1522 to the full House with a complete substitute and with the recommendation it do pass and be sent to the Committee on Local and Consent Calendars, carried by a record vote of 9 Ayes, 0 Nays, 0 PNV, and 4 Absent.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE

May 7, 1991

TO: Honorable Pete Laney, Chair
Committee on State Affairs
House of Representatives
Austin, Texas

IN RE: Committee Substitute for
House Bill No. 1522

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Committee Substitute for House Bill No. 1522 (relating to the regulation of air conditioning and refrigeration contractors) this office has determined the following:

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The bill would amend current statutory provisions relating to the regulation of air conditioning and refrigeration contractors by adding a separate endorsement for those performing ventilation work only. A separate exam would be required for the new classification.

The probable fiscal implication of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

<u>Fiscal Year</u>	<u>Probable Administrative Cost Out of the General Revenue Fund</u>	<u>Probable Revenue Gain to the General Revenue Fund</u>	<u>Change in Number of State Employees from FY 1991</u>
1992	\$ 34,922	\$ 34,922	+ 1
1993	44,342	44,342	+ 1
1994	44,342	44,342	+ 1
1995	44,342	44,342	+ 1
1996	44,342	44,342	+ 1

Similar annual fiscal implications would continue as long as the provisions of the bill are in effect.

No fiscal implication to units of local government is anticipated.

Source: Department of Licensing and Regulation;
LBB Staff: JO, JWH, DF, JAH, AS

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE

March 21, 1991

TO: Honorable Pete Laney, Chair
Committee on State Affairs
House of Representatives
Austin, Texas

IN RE: House Bill No. 1522
By: Carona

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on House Bill No. 1522 (relating to the regulation of air conditioning and refrigeration contractors) this office has determined the following:

The bill would extend to commercial refrigeration contractors all exemptions currently given to environmental air conditioning contractors. The bill would also give the Department of Licensing and Regulation the authority to enter into agreements with other agencies to enforce statutes and rules.

No fiscal implication to the State or units of local government is anticipated.

Source: Department of Licensing and Regulation;
LBB Staff: JO, JWH, DF, JAH, LC

H. B. No. 1522

By CARONA

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of air conditioning and refrigeration
contractors.

MAR 4 1991

1. Filed with the Chief Clerk.

MAR 12 1991

2. Read first time and Referred to Committee on

STATE AFFAIRS

MAY 1 1991

3. Reported ☒ favorably ^(as amended)
_(as substituted) and sent to Printer at 7:50p
MAY 8 1991

MAY 10 1991

4. Printed and distributed at 11:12am

MAY 10 1991

5. Sent to Committee on Calendars at Lic 3:43 pm

6. Read second time (amended); passed to third reading (failed) by (Non-Record Vote)
(Record Vote of _____ yeas, _____ nays, _____
present, not voting).

7. Motion to reconsider and table the vote by which H.B. _____ was ordered
engrossed prevailed (failed) by a (Non-Record Vote) (Record Vote of _____ yeas,
_____ nays, and _____ present, not voting).

8. Constitutional Rule requiring bills to be read on three several days suspended (failed
to suspend) by a four-fifths vote of _____ yeas, _____ nays, and _____
present, not voting.

9. Read third time (amended); finally passed (failed) by (Non-Record Vote) (Record Vote
of _____ yeas, _____ nays, _____ present, not voting).

10. Caption ordered amended to conform to body of bill.

11. Motion to reconsider and table the vote by which H. B. _____ was finally passed
prevailed (failed) by a (Non-Record Vote) (Record Vote of _____ yeas, _____
nays, and _____ present, not voting).

12. Ordered Engrossed at _____

13. Engrossed.

14. Returned to Chief Clerk at _____

15. Sent to Senate.

Chief Clerk of the House

16. Received from the House

17. Read, referred to Committee on _____

18. Reported favorably

19. Reported adversely, with favorable Committee Substitute; Committee Substitute read
first time.

20. Ordered not printed.

21. Regular order of business suspended by
(a viva voce vote.)
(_____ yeas, _____ nays.)

_____ 22. To permit consideration, reading and passage, Senate and Constitutional Rules
suspended by vote of _____ yeas, _____ nays.

_____ 23. Read second time _____ passed to third reading by:
(a viva voce vote.)
(_____ yeas, _____ nays.)

_____ 24. Caption ordered amended to conform to body of bill.

_____ 25. Senate and Constitutional 3-Day Rules suspended by vote of _____ yeas,
_____ nays to place bill on third reading and final passage.

_____ 26. Read third time and passed by
(a viva voce vote.)
(_____ yeas, _____ nays.)

OTHER ACTION: OTHER ACTION:

Secretary of the Senate

_____ 27. Returned to the House.

_____ 28. Received from the Senate (with amendments.)
(as substituted.)

_____ 29. House (Concurred) (Refused to Concur) in Senate (Amendments)
(Substitute) by a (Non-Record
Vote) (Record Vote of _____ yeas, _____ nays, _____ present,
not voting).

_____ 30. Conference Committee Ordered.

_____ 31. Conference Committee Report Adopted (Rejected) by a (Non-Record Vote) (Record
Vote of _____ yeas, _____ nays, and _____ present, not voting).

_____ 32. Ordered Enrolled at _____

91 MAY 10 AM 11:12
HOUSE OF REPRESENTATIVES